

Washington Horse Racing Commission
Meeting Minutes
June 10, 2016

Present were: Robert Lopez, Commissioner; Dr. Everett Macomber, DVM, Commissioner; Representative Joe Schmick, Legislative Ex-Officio Member; Isaac Williamson, Assistant Attorney General; Doug Moore, Executive Secretary; Patty Brown, Confidential Secretary.

Chairman Jeff Colliton not present, he was in Colorado to receive an award and induction into the ROTC Hall of Fame.

Commissioner Macomber acting Chairman.

Item #1. Approval of the meeting minutes of April 8, 2016 and the special meeting on April 29, 2016.

Commissioner Lopez moved to approve the April 8 and the special meeting minutes of April 29, 2016. Commissioner Macomber seconded the motion. Unanimously approved.

Item #2. Commissioners' report:

Commissioner Lopez reported that he had attended the opening day of Sun Downs race meet, and commented that he thought it was a good year for them, they had an exciting opening, appeared that they had enough horses for full fields and wagering was doing very well.

Mr. Moore reported for Chairman Colliton commenting on Chairman Colliton's attendance at a Townhall meeting at Arapahoe Park in Colorado. Chairman Colliton said it was well attended. Mr. Moore said that due to the Chairman being honored, he would miss one of the two meetings he had been approved to travel to and requested he be approved to attend the Arlington Townhall in August. Commissioner Lopez moved to approve the request for attendance and travel expenses for the Arlington meeting. Commissioner Macomber seconded the motion. Unanimously approved.

Mr. Moore requested approval for the Commissioners to attend the June 20, Anniversary celebration for Emerald Downs. Commissioner Lopez moved to approve. Commissioner Macomber seconded the motion. Unanimously approved.

Mr. Moore reported that Chairman Colliton is involved with "Down the Stretch.org" ranch. Operated by Boone McCanna who has 17 horses and hopes for 25 at the ranch. The ranch is a therapy ranch for disabled and PTSD afflicted veterans. Chairman Colliton's brother and son are also working with him from the Veteran's Administration side, to find individuals that would benefit this therapy. Mr. Moore reported that anyone interested in helping, please feel free to contact them.

Commissioner Macomber reported that he attended Emerald Downs races and the upbeat feeling out at the track. He noted how well attended the races were. He's said he's been reviewing the information that has been provided by Washington State University WADDL Program on the necropsy reports. He's been reviewing medication reports, reviewing the listserv for veterinarians involved with race tracks, and said there's been a lot of activity/discussion on the issue of the vets list; when a horse is placed on the vets list, going from one track to another and how they are worked to get off the list. He said it is a work in progress. Another issue he saw was about non-veterinarians working on the race track treating

horses. He said he didn't believe Emerald Downs had a problem, but it is evident there is in other jurisdictions. Mr. Moore asked if this was in regard to giving injections or chiropractic. Commissioner Macomber said both; the concern is how those applicants are being licensed. He felt that Emerald Downs is ok, but this is being discussed at length right now.

Mr. Moore said the Emerald Downs Townhall meeting that was scheduled for the Breeders on July 13 will be moved to the 4th floor at Emerald Downs. Mr. Martin said it works better in a different type of setting. The meeting will begin at 2:00 P.M. and there will be a sign up for this meeting on the ARCI site.

Item #3. ADW license renewal – TVG.

Mr. Moore presented the license renewal application for TVG. Mr. Moore said a check had been completed and finding nothing detrimental staff recommended approval. Mr. BJ Cosson of TVG was present to answer any questions.

Commissioner Lopez moved to approve the ADW license renewal for TVG. Commissioner Macomber seconded the motion. Unanimously approved.

Item #. 4. Industry reports:

a. Emerald Downs.

Phil Ziegler, President, Emerald Downs said they've been working on the Indian Relay scheduled for this weekend. He said there are 18 teams in town to compete. There is \$50,000 in purses; the attention on facebook has been tremendous, the races will be broadcast on Comcast Sportsnet from 6-10 P.M. each night. The teams have traveled from Montana and Idaho and are some of the best. He said they are expecting big crowds all weekend. The following weekend is Father's Day and the 20th anniversary on Monday, June 20. The handle is good, field sizes up even from last year. Out of state is up 30-40 percent. He said there's been more wagering participation since lowering the minimum wagers on the exotics.

b. WHBPA.

MaryAnn O'Connell, Executive Director, said their national convention is the same day as the Auburn Townhall. Ms. O'Connell responded to Commissioner Macomber's comments regarding the license for horse chiropractors, she said guidelines were established a few years ago to properly license them and that she had been involved with that process. She said a policy had been created specifically regarding the licensing and thought it had worked well.

c. WTBOA.

Mr. Dana Halvorson, President, spoke about their upcoming annual meeting on July 16 at 3 P.M. in the Breeders Pavilion. He said a representative from the Jockey Club will be in attendance to talk about the new micro chip registration program. There will be a dinner after the discussions and before racing begins. He said the Summer sale has 113 yearlings, extremely good group of horses, best catalog ever. It

is scheduled for August 23, the week after the Longacres Mile. Ms. Anne Sweet, Editor, also mentioned that on July 8-10 the Equine Art show will be held and encouraged all who could to attend. There will be 200 artists from across the country. A preview party will be held the Thursday evening before the show.

d. Sun Downs.

Mr. Moore said he also attended two of the three weekends at Sun Downs and said they had a great meet again this year. They had full fields all three weekends, with the 3 year lease they've obtained they are looking forward to next year too. He mentioned that he'd had a call from someone who would like to run at Dayton and Waitsburg, and also mentioned possibly at Walla Walla this fall but felt it might be too late to put anything together. He thought we may be seeing additional applications for next year.

Item #5. Approval of Satellite Site – Seven Cedars Casino.

Mr. Bob Fraser, Vice President, Operations, presented the satellite site overview and shared several pictures of the new site. He said they're hoping to open Saturday for Belmont Day. Emerald Downs is installing a machine that will allow downloads of programs and racing forms. Mr. Fraser said this site meets all the standards required and requested approval.

Commissioner Macomber asked what the attendance is expected to be at this site. Mr. Fraser said maybe five people during the week, but on weekends maybe 10-12. He said they are finding similar numbers at the new Muckleshoot site.

Commissioner Lopez moved to approve the satellite site at Seven Cedars Casino. Commissioner Macomber seconded the motion. Unanimously approved.

Five minute break 10:10 A.M. Reconvened 10:15 A.M.

Item #6. Appeal Hearing: WHRC 2016-003 - Diane Garrison.

Commissioner Lopez presided over the hearing. Present were: Commissioner Macomber; Isaac Williamson, AAG; Doug Moore, Executive Secretary, representing staff; Kenneth Doll, Presiding Steward; Petitioner Diane Garrison, who was not represented by counsel. Eleven exhibits were admitted. Testimony was taken. The decision of the Commission was to uphold the Board of Steward's decision and a written Order would be prepared and mailed to all parties.

Item #7. Executive Secretary's report.

Mr. Moore said he'd been conducting a survey on medications being used at the race track and prepared a mid-meet report showing results on what medications were being used that would have been positives if the WHRC had adopted the model rules. He reported numerous Dexamethasone positives showing levels which were reported to be too low to be reported at the WHRC threshold. He said there were a few other administration issues; Clenbuterol and Methylprednisolone were present showing below WHRC thresholds but in violation of model rules thresholds. Ms. O'Connell spoke on the Dexamethasone issues and reiterated these levels are not positives. Commissioner Macomber asked if the vet reports were showing the level of administration. Mr. Moore said he did have that information but, this report had some identifiers taken out and that his final report would have all the identifiers.

Commissioner Lopez asked if these medications were given during racing. Mr. Moore said mostly those were from the ship-ins, quarter horses that were from the Sun Downs meet. Commissioner Lopez asked about the research on these medications and Mr. Moore said these thresholds have been published.

Commissioner Macomber asked if any were intranasal with Albuterol or Clenbuterol. Ms. O'Connell said it's been tried, but still came back over the threshold. Mr. Moore said he talked to Northern Quarter Horse Association at the Sun Downs meet about Clenbuterol threshold at 25 picograms. He said they are not opposed to go to zero tolerance with this drug and would try for zero for next year.

Mr. Moore said the stakeholders might be receiving a survey regarding the WHRC "going green" by publishing handouts on the webpage prior to the meeting and not printing handouts, if they wanted a handout they could print them off the webpage if they wish.

a. Wagering recap (April/May).

Mr. Moore recapped the wagering for April and May 2016. He noted wagering was up 11 percent in April and down 9 percent in May with the race year up 5 percent overall. Mr. Moore said the Advance Deposit Wagering (ADW) recap was up 8 percent. Mr. Moore reported Sun Downs up almost 3 percent over last year.

b. Monthly Financial Statement (March/April 2016).

Mr. Moore reviewed the expenditures and revenues for March and April 2016, the fund balance at the end of April was \$949,683.

Item #8. Industry Grant Requests: Morning Training Track Veterinarian Program.

Emerald Downs and the WA Horsemen's Benevolent and Protective Association (HBPA) submitted a grant requesting monetary support the Equine Morning Training Track Veterinarian Program in the amount of \$26,260. Mr. Jack Hodge spoke on behalf of Emerald Downs. He said this is a service that Emerald Downs felt was for the health and safety of the horses training in the mornings and was requesting assistance monetarily to keep this program going. Ms. O'Connell said the HBPA has historically helped finance this program and with their income having decreased 55% in the last few years said they could no longer assist with this program. The HBPA would have to cut other social programs and assistance to people on the backside and that could not happen.

Mr. Moore said he worked with the WHRC Budget Analyst, Paul Bitar, and in reviewing circumstances, our Internet Technology Specialist 4 retiring meaning a large cash out, Small Agency Human Resources being cut and small agency's being charged for services, statewide health care lawsuit settled and a payout of approximately \$45,000 to be distributed from the WHRC fund, historically the WHRC fund balance in July, August and September losing months for the WHRC, and with any other unanticipated expenses, if the grant is approved, the WHRC fund balance will drop about \$200,000 through the summer. The WHRC would still be able financially to handle the grant request of \$26,200. Commissioner Lopez moved to approve the grant request for \$26,260 for the 2016 racing season. Commissioner Macomber seconded the motion and asked if it was the intention of Emerald Downs and the HBPA to have the WHRC fund this program each year stating he felt the WHRC could not pay this whole amount every year and asked if the stakeholders could share in this cost. Mr. Hodge said it was his opinion that he felt it was the role of the state veterinarian to be there in the mornings and in the

past, apparently there were liability issues, that not being in rule the state veterinarian couldn't, but he didn't want the program suspended. He said they were having trouble finding anyone to do this and that the actual number of practicing vets at the race track was dwindling and there were maybe only four practicing vets on the grounds in the mornings.

Mr. Moore said the WHRC is in the same situation with trying to find a veterinarian. Mr. Moore said he felt this was a win, win situation as long as funding is available; it is a good use of funding.

Commissioner Macomber asked how often a veterinarian is needed on back side in the mornings. Mr. Hodge said they are there for an emergency. They have used this service a couple of times this year. It's also a comfort level to have horses attended to in a prompt manner. Commissioner Lopez requested that a report be submitted at the end of the meet to show specifically what payments were made for services rendered for WHRC audit purposes. Mr. Hodge said that will be done. Unanimously approved.

Item #9. Other business.

Mr. Moore said the WHRC Olympia office may be moving due to a Marijuana Retail Store opening across the hall in our current location. He said he would know more about this matter later.

Mr. Moore said there might be a special meeting scheduled to approve a new ADW, NYRabets if the application is received prior to the next scheduled meeting in August.

Meeting adjourned. 11:25 A.M.

Doug Moore, Executive Secretary